



POSTAL SERVICE

39 CFR Part 111

Domestic Competitive Products Pricing and Mailing Standards Changes

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: The Postal Service is amending *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), to reflect changes to prices and mailing standards for competitive products.

DATES: *Effective Date:* January 26, 2020.

FOR FURTHER INFORMATION CONTACT: Tom Foti at (202) 268-2931 or Garry Rodriguez at (202) 268-7281.

SUPPLEMENTARY INFORMATION: This final rule describes new prices and product features for competitive products, by class of mail, established by the Governors of the United States Postal Service®. New prices are available under Docket Number CP2020-5 on the Postal Regulatory Commission PRC Web site at <http://www.prc.gov>, and on the Postal Explorer® Web site at <http://pe.usps.com>.

The Postal Service will revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), to reflect changes to prices and mailing standards for the following competitive products:

- Priority Mail Express®.
- Priority Mail®.
- First-Class Package Service®.

- Parcel Select[®].
- USPS Retail Ground[®].
- Extra Services.
- Return Services.
- Mailer Services.
- Recipient Services.
- Other.

Competitive product prices and changes are identified by product as follows:

Priority Mail Express

Prices

Overall, Priority Mail Express prices will increase 3.5 percent. Priority Mail Express will continue to offer zoned and Flat Rate Retail, Commercial Base[®], and Commercial Plus[®] pricing.

Retail prices will increase an average of 3.8 percent. The Flat Rate Envelope price will increase to \$26.35, the Legal Flat Rate Envelope will increase to \$26.50, and the Padded Flat Rate Envelope will increase to \$26.95.

Commercial Plus prices were matched to the Commercial Base prices in the 2016 price change and will continue to be matched in 2020. Commercial Base and Commercial Plus prices will increase an average of 2.2 percent.

Priority Mail

Prices

Overall, Priority Mail prices will increase 4.1 percent. Priority Mail will continue to offer zoned and Flat Rate Retail, Commercial Base, and Commercial Plus pricing.

Retail prices will increase an average of 4.9 percent. The Flat Rate Envelope price will increase to \$7.75, the Legal Flat Rate Envelope will increase to \$8.05, and the Padded Flat Rate Envelope will increase to \$8.40. The Small Flat Rate Box price will increase to \$8.30 and the Medium Flat Rate Boxes will increase to \$15.05. The Large Flat Rate Box will increase to \$21.10 and the APO/FPO/DPO Large Flat Rate Box will increase to \$19.60.

Commercial Base prices offer lower prices to customers who use authorized postage payment methods. Commercial Base prices will increase an average of 2.8 percent.

The Commercial Plus price category offers price incentives to large volume customers who have a customer commitment agreement with USPS®. Commercial Plus prices as a whole will increase 3.0 percent.

First-Class Package Service

Prices

Overall, First-Class Package Service - Retail prices will increase 3.9 percent.

Overall, First-Class Package Service - Commercial prices will increase 2.2 percent.

Parcel Select

Prices

The prices for Parcel Select Destination Entry increase an average of 2.5 percent. Parcel Select Ground prices will increase an average of 3.9 percent. The prices for Parcel Select Lightweight® will increase an average of 4.2 percent.

USPS Retail Ground

Overall, USPS Retail Ground prices will increase an average of 3.9 percent.

Dimensional Weight Pricing

The Postal Service is implementing Dimensional Weight (DIM) pricing for USPS Retail Ground parcels. Postage for USPS Retail Ground parcels addressed for delivery to Zones 1 through 9 and exceeding 1 cubic foot (1,728 cubic inches) will be based on the actual weight or the dimensional weight, whichever is greater.

USPS Retail Ground DIM weight pricing will be calculated using one of two formulas, rectangular or nonrectangular, with a DIM divisor of 166.

USPS Retail Ground – Limited Overland Route pricing will not be subject to DIM pricing.

Balloon Pricing

As a result of the implementation of DIM pricing for USPS Retail Ground parcels in zones 1 through 9, the Postal Service will eliminate balloon pricing.

USPS Retail Ground – Limited Overland Route pricing will continue to be subject to balloon pricing.

Extra Services

Adult Signature Service

Adult Signature Required and Adult Signature Restricted Delivery service prices are increasing 3.9 percent. The price for Adult Signature Required will increase to \$6.65 and Adult Signature Restricted Delivery will increase to \$6.90.

Return Services

Parcel Return Service

Overall, Parcel Return Service prices will increase an average of 4.9 percent.

Return Sectional Center Facility (RSCF) prices will increase an average of 4.9 percent and Return Delivery Unit (RDU) prices will increase an average of 4.9 percent.

Mailer Services

Pickup on Demand Service

The Pickup on Demand[®] service fee will increase 4.3 percent to \$24.00.

Premium Data Retention and Retrieval Services

The Postal Service is introducing “Premium Data Retention and Retrieval” service. Premium Data Retention and Retrieval service allows a customer to request that the Postal Service retain: (1) scan data or (2) scan and signature data for the customer’s packages beyond the Postal Service’s standard data retention period, for up to ten years. Premium Data Retention service is

available for packages shipped via Priority Mail Express, Priority Mail, First-Class Package Service, Parcel Select, and packages with Adult Signature Services. For Scan and Signature Retention on products other than Priority Mail Express, the customer must have purchased an underlying signature service, such as Signature Confirmation™ service. Customers can request Premium Data Retention and Retrieval service online at USPS.com or through a Shipping Services File.

Recipient Services

Post Office Box Service

The competitive Post Office Box™ service prices will increase an average of 10.4 percent within the existing price ranges.

Premium Forwarding Service

Premium Forwarding Service® (PFS®) prices will increase between 0.9 and 5.3 percent depending on the specific price element. The enrollment fee paid at the retail counter for PFS-Residential will increase to \$21.90 and the PFS-Residential, PFS-Commercial, and PFS-Local enrollment fee paid online will increase to \$20.10 per application. The price of the weekly shipment charge for PFS-Residential and per container charge for PFS-Local will increase to \$21.90.

USPS Package Intercept

The USPS Package Intercept® fee will increase 3.9 percent to \$14.65.

Other

Address Enhancement Service

Address Enhancement Service competitive product prices will increase between 0.4 and 3.8 percent.

Small Parcel Forwarding Fee

The small parcel forwarding fee, an optional service first offered in January 2019, will increase 4.9 percent to \$4.75.

eVS Unmanifested Fee

The Postal Service is introducing an “eVS Unmanifested” fee to discourage unmanifested eVS eligible pieces, reduce occurrences of lower postage assessments, and offset additional reconciliation, manual processes, and operational costs. The fee will apply to Priority Mail Express, Priority Mail, First-Class Package Service, and Parcel Select, commercial pieces.

Resources

The Postal Service provides additional resources to assist customers with this price change for competitive products. These tools include price lists, downloadable price files, and *Federal Register* Notices, which may be found on the Postal Explorer[®] Web site at <http://pe.usps.com>.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is amended as follows:

PART 111 – [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) as follows:

***Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM)**

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100 Retail Mail Letters, Cards, Flats, and Parcels

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150 Retail Mail USPS Retail Ground

153 Prices and Eligibility

1.0 Prices and Fees

1.1 Price Eligibility

USPS Retail Ground prices are calculated based on the zone to which the parcel is addressed and the weight of the parcel. USPS Retail Ground prices are available as follows:

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[Revise the text of item d to read as follows:]

d. USPS Retail Ground – Limited Overland Routes parcels that weigh less than 20 pounds but measure more than 84 inches (but not more than 108

inches) in combined length and girth are charged the applicable price for a 20-pound parcel (balloon price).

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[Add new section 1.4, Dimensional Weight Price for Low-Density Parcels to Zones 1-9, to read as follows:]

1.4 Dimensional Weight Price for Low-Density Parcels to Zones 1-9

Except for USPS Retail Ground – Limited Overland Routes parcels under [1.3](#), postage for parcels addressed for delivery to Zones 1-9 and exceeding 1 cubic foot (1,728 cubic inches) is based on the actual weight or the dimensional weight (as calculated in [1.4.1](#) or [1.4.2](#)), whichever is greater.

1.4.1 Determining Dimensional Weight for Rectangular Parcels

Follow these steps to determine the dimensional weight for a rectangular parcel:

- a. Measure the length, width, and height in inches. Round off (see [604.7.0](#)) each measurement to the nearest whole inch.
- b. Multiply the length by the width by the height.
- c. If the result exceeds 1,728 cubic inches, divide the result by 166 and round up (see [604.7.0](#)) to the next whole number to determine the dimensional weight in pounds.
- d. If the dimensional weight exceeds 70 pounds, the customer pays the 70-pound price.

1.4.2 Determining Dimensional Weight for Nonrectangular Parcels

Follow these steps to determine the dimensional weight for a nonrectangular parcel:

- a. Measure the length, width, and height in inches at their extreme dimensions. Round off (see [604.7.0](#)) each measurement to the nearest whole inch.
- b. Multiply the length by the width by the height.
- c. Multiply the result by an adjustment factor of 0.785.
- d. If the final result exceeds 1,728 cubic inches, divide the result by 166 and round up (see [604.7.0](#)) to the next whole number to determine the dimensional weight in pounds.
- e. If the dimensional weight exceeds 70 pounds, the customer pays the 70-pound price.

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200 Commercial Mail Letters, Flats, and Parcels

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210 Commercial Mail Priority Mail Express

213 Prices and Eligibility

1.0 Prices and Fees

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[Add new section 1.9, eVS Unmanifested Fee, to read as follows:]

1.9 eVS Unmanifested Fee

Eligible eVS Priority Mail Express pieces omitted from the eVS manifest are subject to the eVS Unmanifested fee (see [Notice 123—Price List](#)), unless the piece is subject to the IMpb noncompliance fee under [3.2](#).

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220 Priority Mail

213 Prices and Eligibility

1.0 Prices and Fees

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[Add new section 1.11, eVS Unmanifested Fee, to read as follows:]

1.11 eVS Unmanifested Fee

Eligible eVS Priority Mail pieces omitted from the eVS manifest are subject to the eVS Unmanifested piece fee (see [Notice 123—Price List](#)), unless the piece is subject to the IMpb noncompliance fee under [3.2](#).

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250 Parcel Select

253 Prices and Eligibility

1.0 Prices and Fees

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[Add new section 1.5, eVS Unmanifested Fee, to read as follows:]

1.5 eVS Unmanifested Fee

Eligible eVS Parcel Select pieces omitted from the eVS manifest are subject to the eVS Unmanifested fee (see [Notice 123—Price List](#)), unless the piece is subject to the IMpb noncompliance fee under [3.3](#).

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280 Commercial Mail First-Class Package Service — Commercial

283 Prices and Eligibility

1.0 Prices and Fees

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[Add new section 1.4, eVS Unmanifested Piece Fee, to read as follows:]

1.4 eVS Unmanifested Fee

Eligible eVS First-Class Package Service-Commercial pieces omitted from the eVS manifest are subject to the eVS Unmanifested fee (see [Notice 123—Price List](#)), unless the piece is subject to the IMpb noncompliance fee under [3.4](#).

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500 Additional Mailing Services

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507 Mailer Services

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[Add new section 11.0, Premium Data Retention and Retrieval Service, to read as follows:]

11.0 Premium Data Retention and Retrieval Service

Premium Data Retention and Retrieval service allows a customer to request that the Postal Service retain: (1) scan data or (2) scan and signature data for the customer's packages beyond the Postal Service's standard data retention period, for up to ten years. Premium Data Retention and Retrieval service is available for commercial packages shipped via Priority Mail Express, Priority Mail, First-Class Package Service, Parcel Select, and commercial packages with Adult Signature Services. For Scan and Signature Retention on products other than Priority Mail Express, the customer must have purchased an underlying signature service, such as Signature Confirmation service (see [Notice 123—Price List](#)).

Customers can request Premium Data Retention and Retrieval service online at USPS.com or through a Shipping Services File.

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Notice 123 (Price List)

[Revise competitive prices as applicable.]

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Quick Service Guides (QSGs)

[Revise Quick Service Guides as applicable.]

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

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